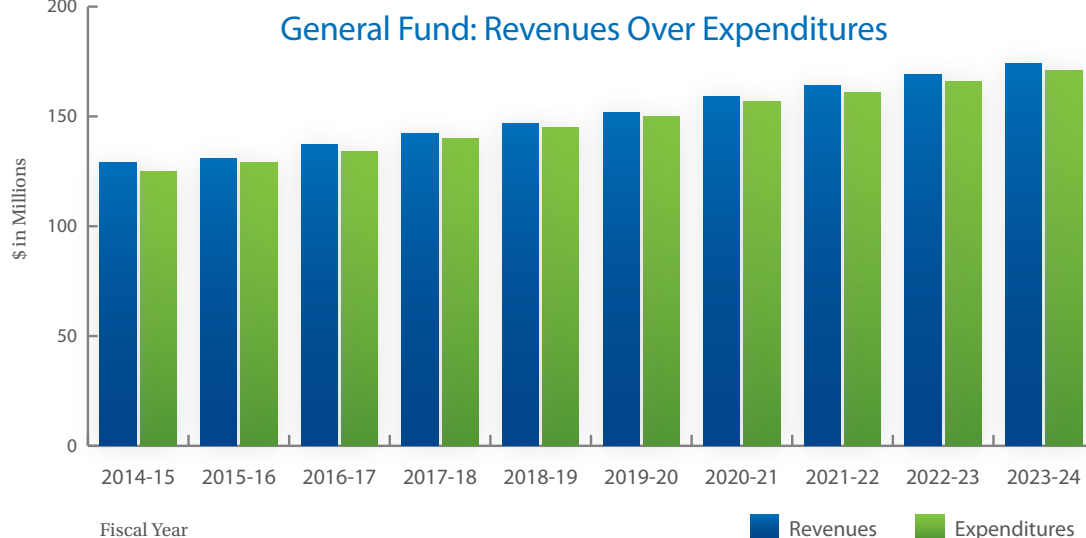


Budget Overview

For FY 2014-15, estimated revenues are \$282.7 million. The adopted budget is \$297.1 million, with \$227.4 in the Operating Budget and \$69.7 million in the Capital Improvement Program. This budget represents a shift in focus, as improving economic conditions allow the city to add resources and address strategic objectives.

Looking Forward: 10-Year Forecast



Fiscal Responsibility

The budget continues to embody fiscal responsibility, long-term fiscal sustainability and healthy reserves, while providing funding for the city's aging infrastructure. It allocates the available funding in a manner that actively plans for the future. This plan will provide essential city services to all who live, work and play in Carlsbad.

Financial health is a top priority of the City Council and an important consideration in developing the budget for the city. The city prepares a 10-year forecast for the General Fund each year to understand the impact of actions taken today on the city's future. The 10-year financial forecast is a useful tool in managing the city through economic uncertainty and in planning for the addition of future city facilities and amenities.

Planning for the Future

There are new city facilities planned, such as parks and civic facilities, that will add operating costs to the city's General Fund budget once completed and open for use. The forecast incorporates the operating costs of these new facilities and helps the city achieve the goal set out by Council to maintain a balanced budget. The forecast graph shows that the General Fund is balanced into the future with a slight surplus in each year (0 to 3 percent). For 2014-15, anticipated General Fund revenues are forecasted to exceed expenditures by approximately \$4.3 million. Any surplus funds at the end of the year will be added to the city's fund balance to pay for unanticipated expenses or other "one-time" costs.

The 10-year financial forecast is a useful tool in managing the city through economic uncertainty and in planning for the addition of future city facilities and amenities.